

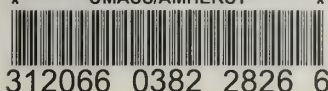
# Division of Employment and Training NewsRelease

Massachusetts Division of Employment and Training •

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## MASSACHUSETTS UNEMPLOYMENT RATE FOR 1999 EQUALS RECORD LOW OF 3.2%; JOBS SURGE BY 14,600 IN DECEMBER

The Division of Employment and Training (DET) today announced that the Massachusetts seasonally adjusted unemployment rate in December remained at 3.2 percent for the third consecutive month. Unemployment also averaged 3.2 percent for calendar year 1999, placing it in a tie with 1987 for the lowest annual rate in thirty years. (Monthly estimates will be revised next month to reflect normal year-end benchmark revisions.)

The Massachusetts rate remained 0.9 percentage point lower than the U.S. rate, which was also unchanged from the prior two months, at 4.1 percent. The Massachusetts rate has been below the U.S. rate for 58 consecutive months.

Commenting on the latest jobs report, Governor Paul Cellucci said "We finished 1999 on a very positive note and all economic indicators point toward a continuing strong Massachusetts economy in the year 2000."

The Massachusetts annual average unemployment rate has now been on the decline for eight consecutive years, since peaking at 9.1 percent in 1991, and has been below the U.S. rate for the past six years. Massachusetts and U.S. annual average unemployment rates for 1991-1999 are compared on the following table:

	1991	1992	1993	1994	1995	1996	1997	1998	1999
MA	9.1%	8.6%	6.9%	6.0%	5.4%	4.3%	4.0%	3.3%	3.2%
U.S.	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%

The number of Massachusetts residents working in December increased by 2,400 to 3,182,400, just short of October's record breaking high of 3,182,800, while the number of unemployed remained unchanged at 106,100. Over the year since December 1998, the labor force has increased by 29,000.

The Massachusetts economy added 14,600 jobs in December, its largest monthly increase in two years. Job levels reached a record high of 3,248,200 and are up 49,700 (1.6 percent) from one year ago. All major industry sectors posted monthly job increases in December, except transportation and utilities which remained unchanged and government which recorded a small loss.

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Commonwealth of Massachusetts

Argeo Paul Cellucci, Governor  
Jane Swift, Lieutenant Governor

Angelo Buonopane, Director  
Department of Labor and Workforce Development

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John A. King, Deputy Director  
Division of Employment and Training



Jobs in the services industry jumped by 5,900 in December, its largest monthly increase in over three years. The 1,176,700 jobs in this sector represent 36 percent of all Massachusetts jobs. Total services employment reached its eleventh consecutive record high last month. Business, education and health services each added at least 1,000 jobs over the month, while the 600-job gain in engineering and management services was the seventh consecutive monthly increase for this industry. Since December 1998, services have added 29,500 jobs, an increase of 2.6 percent. Business services are up 7,600 or 3.2 percent over the year, engineering and management services are up 5,800 or 4.6 percent, and social services are up 2,800 or 3.3 percent.

Trade posted a strong 5,200-job gain in December, with both the retail (+4,500) and wholesale (+700) segments showing strength. Eating and drinking places and food stores both bounced back from November declines with gains of 1,900 and 1,600 respectively. Furniture and equipment stores added 700 jobs in December, continuing recent strength in this industry, while hiring activity was also strong in general merchandise stores (+600). At 561,600, retail trade jobs are up 11,500 or 2.1 percent from one year ago. Over-the-year gains occurred in all retail trade industries.

Job growth has picked up in finance, insurance and real estate with gains of 1,500 over the last two months. Security and commodity brokers and depository institutions contributed to much of the 700-job increase in December. Jobs in finance, insurance and real estate are up 3,900 (1.8 percent) over the year to 223,900, with gains concentrated in the security and commodity broker industry.

Construction rebounded from a 700-job loss last month, with a gain of 2,000 jobs in December. At 116,700, construction is up 6,100 or 5.5 percent since December 1998.

Manufacturing added 1,000 jobs in December, its first monthly increase since August 1999 when it added 600 jobs. Manufacturing job levels have been stabilized throughout most of 1999 at approximately 436,000. Industrial machinery and equipment, fabricated metals, rubber and miscellaneous plastics, and apparel all posted small monthly job gains. Manufacturing industries showing over-the-year increases include: communications equipment; special industry machinery; stone, clay and glass; printing and publishing; and rubber and miscellaneous plastics.

Overall high tech jobs are up 500 over the month to 305,900, representing nearly one out of ten Massachusetts jobs. Since December 1998, high tech jobs have increased 2,600, with high tech nonmanufacturing showing strong growth of 5,600 or 3.9 percent, and high tech manufacturing recording a 3,000 or 1.9 percent decline.

*NOTE: The local area unemployment statistics for December will be released on Tuesday January 25, 2000. The January unemployment rate and labor force data for Massachusetts will be released on Friday, February 25, 2000, as will the January survey of jobs. (See 1/21/00 Media Advisory, annual schedule, for complete listing of release dates.) Detailed labor market information is available at DET's website: [www.detma.org](http://www.detma.org).*



# Massachusetts Labor Force Data and National Unemployment Rate

1998 and 1999 by Month

Seasonally Unadjusted and Seasonally Adjusted Data

(Unemployment Rates in percent)

	Working Age Population	Seasonally Unadjusted				National Rate
		Labor Force	Employed	Unemployed	Mass Rate	

	Labor Force	Seasonally Adjusted			Mass Rate	National Rate
		Employed	Unemployed			

1998

January	4,739,000	3,255,400	3,114,300	141,200	4.3	5.2
February	4,740,000	3,248,800	3,119,700	129,100	4.0	5.0
March	4,742,000	3,263,400	3,130,200	133,200	4.1	5.0
April	4,744,000	3,238,000	3,139,700	98,300	3.0	4.1
May	4,746,000	3,261,700	3,156,300	105,400	3.2	4.2
June	4,748,000	3,321,700	3,206,100	115,600	3.5	4.7
July	4,751,000	3,324,500	3,217,900	106,600	3.2	4.7
August	4,753,000	3,312,200	3,213,300	99,000	3.0	4.5
September	4,756,000	3,260,100	3,149,100	111,000	3.4	4.4
October	4,759,000	3,270,600	3,177,700	92,900	2.8	4.2
November	4,761,000	3,268,600	3,180,200	88,500	2.7	4.1
December	4,762,000	3,255,900	3,167,200	88,700	2.7	4.0
Annual	4,750,100	3,273,400	3,164,300	109,100	3.3	4.5

1999

January	4,763,000	3,242,300	3,117,400	124,900	3.9	4.8
February	4,764,000	3,234,000	3,126,400	107,600	3.3	4.7
March	4,765,000	3,247,000	3,137,900	109,100	3.4	4.4
April	4,768,000	3,236,900	3,149,700	87,200	2.7	4.1
May	4,769,000	3,260,100	3,165,100	95,000	2.9	4.0
June	4,772,000	3,324,000	3,219,400	104,600	3.1	4.5
July	4,774,000	3,335,200	3,228,900	106,300	3.2	4.5
August	4,776,000	3,322,100	3,224,900	97,200	2.9	4.2
September	4,779,000	3,261,500	3,163,000	98,500	3.0	4.1
October	4,781,000	3,285,200	3,192,400	92,900	2.8	3.8
November	4,783,000	3,289,200	3,195,900	93,300	2.8	3.8
December	4,784,000	3,283,100	3,188,800	94,300	2.9	3.7

January	3,278,400	3,159,200	119,100	3.6	4.7
February	3,279,300	3,163,700	115,700	3.5	4.6
March	3,279,900	3,164,100	115,800	3.5	4.7
April	3,272,900	3,167,400	105,500	3.2	4.3
May	3,280,300	3,165,600	114,700	3.5	4.4
June	3,274,900	3,164,900	110,000	3.4	4.5
July	3,274,400	3,169,000	105,400	3.2	4.5
August	3,270,000	3,164,600	105,500	3.2	4.5
September	3,274,200	3,164,900	109,300	3.3	4.5
October	3,272,700	3,166,500	106,300	3.2	4.5
November	3,264,400	3,163,100	101,300	3.1	4.4
December	3,259,500	3,159,200	100,400	3.1	4.4
Annual	3,273,400	3,164,300	109,100	3.3	4.5

January	3,264,600	3,161,700	102,900	3.2	4.3
February	3,265,200	3,170,800	94,500	2.9	4.4
March	3,264,700	3,172,800	91,800	2.8	4.2
April	3,272,800	3,178,300	94,500	2.9	4.3
May	3,278,600	3,174,600	104,000	3.2	4.2
June	3,277,100	3,178,100	99,000	3.0	4.3
July	3,286,700	3,181,100	105,500	3.2	4.3
August	3,280,500	3,177,300	103,200	3.1	4.2
September	3,274,300	3,178,900	95,400	2.9	4.2
October	3,288,400	3,182,800	105,600	3.2	4.1
November	3,286,100	3,180,000	106,100	3.2	4.1
December	3,288,500	3,182,400	106,100	3.2	4.1

Note: Labor force estimates are based upon time series models that use a combination of data from the Current Population Survey (CPS), the Current Employment Statistics (CES) survey and the Unemployment Insurance (UI) system. They also include seasonal and trend components.

Source: Massachusetts Division of Employment and Training, U.S. Department of Labor, Bureau of Labor Statistics.

Massachusetts data series for 1994 - 1998 revised as of February 26, 1999.

U.S. data series for 1995-1999 revised as of January 7, 2000.

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Preliminary Monthly Job Estimates (CES-790) (Seasonally Adjusted) Massachusetts							For Release: January 21, 2000
Industry	December-99 Current Month	November-99 Prior Month	December-98 Year Ago	Net Change Prior Month	Net Change Year Ago	% Change Prior Month	% Change Year Ago
Nonagricultural	3,248,200	3,233,600	3,198,500	14,600	49,700	0.5%	1.6%
Construction	116,700	114,700	110,600	2,000	6,100	1.7%	5.5%
Manufacturing	436,200	435,200	440,200	1,000	(4,000)	0.2%	-0.9%
Durables	272,100	271,800	275,500	300	(3,400)	0.1%	-1.2%
Nondurables	164,100	163,400	164,700	700	(600)	0.4%	-0.4%
Transportation, Utilities	137,200	137,200	135,400	0	1,800	0.0%	1.3%
Trade	738,800	733,600	727,200	5,200	11,600	0.7%	1.6%
Wholesale	177,200	176,500	177,100	700	100	0.4%	0.1%
Retail	561,600	557,100	550,100	4,500	11,500	0.8%	2.1%
Finance, Insurance, Real Estate	223,900	223,200	220,000	700	3,900	0.3%	1.8%
Services	1,176,700	1,170,800	1,147,200	5,900	29,500	-0.5%	2.6%
Total Private	2,830,800	2,815,900	2,781,900	14,900	48,900	0.5%	1.8%
Government	417,400	417,700	416,600	(300)	800	-0.1%	0.2%
*High Tech	305,900	305,400	303,300	500	2,600	0.2%	0.9%
*Manufacturing	157,100	157,200	160,100	(100)	(3,000)	-0.1%	-1.9%
*Nonmanufacturing	148,800	148,200	143,200	600	5,600	0.4%	3.9%

\* These are DET estimates (not seasonally adjusted) that are subsets of manufacturing and services respectively.

Current Employment Statistics (CES-790) program: 1998 Benchmark (2/26/99)

A monthly survey of approximately 11,000 Massachusetts employers, designed to produce preliminary employment estimates for the State and its major labor market areas. The survey counts the total number of payroll jobs in nonagricultural establishments by place of work.

Source: Massachusetts Division of Employment and Training (D.E.T.)